

MINUTES

MONTANA SENATE 60th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN JIM ELLIOTT**, on March 28, 2007 at 8:00 A.M., in Room 405 Capitol.

ROLL CALL

Members Present:

Sen. Jim Elliott, Chairman (D)
Sen. Jerry W. Black (R)
Sen. Jeff Essmann (R)
Sen. Kelly Gebhardt (R)
Sen. Dan Harrington (D)
Sen. Christine Kaufmann (D)
Sen. Sam Kitzenberg (D)
Sen. Jim Peterson (R)
Sen. Bob Story Jr. (R)

Members Excused: None.

Sen. Kim Gillan (D)
Sen. Trudi Schmidt (D)

Members Absent: None.

Staff Present: Lee Heiman, Legislative Branch
Lois O'Connor, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: SB 563, 3/22/2007; SB 564,
3/22/2007; SB 562, 3/22/2007; SB
561, 3/22/2007
Executive Action: SB 563, SB 564

00:04:31

HEARING ON SB 563

Opening Statement by Sponsor:

00:05:10 **SEN. JIM ELLIOTT (D), SD 7**, opened the hearing on **SB 563**, Revise tax laws by providing income tax checkoff for Special Olympics Montana.

Proponents' Testimony: None.

Opponents' Testimony: None.

Informational Testimony:

00:06:26 Brian Olsen, Montana Department of Revenue (DOR)

Questions from Committee Members and Responses:

00:06:40 Sen. Robert Story to Mr. Olsen, DOR

Closing by Sponsor:

00:07:20 Sen. Elliott

HEARING ON SB 564

Opening Statement by Sponsor:

00:07:43 **SEN. JIM ELLIOTT (D), SD 7**, opened the hearing on **SB 564**, Exclude 95 school mills from new TIFs.

Proponents' Testimony: None.

Opponents' Testimony:

00:08:58 Greg Kruger, Downtown Billings Partnership

[EXHIBIT\(tas66a01\)](#)

[EXHIBIT\(tas66a02\)](#)

00:14:53 Jani McCall, City of Billings

00:16:31 Charles Brooks, Billing Area Chamber of Commerce

00:20:55 Sheldon Bartel, Montana Business Assistance Corporation (MBAC)

00:21:44 Sheryl Wood, Associate Director, Montana Association of Counties (MACo)

Informational Testimony: None.

Questions from Committee Members and Responses:

00:22:35 Sen. Story to Sen. Elliott

Closing by Sponsor:

00:24:20 Sen. Elliott

00:28:04 Break

00:42:18 Reconvene

HEARING ON SB 562

Opening Statement by Sponsor:

00:42:24 **SEN. JESSE LASLOVICH (D), SD 43**, opened the hearing on **SB 562**, Provide tax incentives for renewable energy and energy conservation.

Proponents' Testimony:

00:48:56 Evan Barrett, Office of Economic Development, Office of the Honorable Governor Brian Schweitzer (Governor's Office)

[EXHIBIT\(tas66a03\)](#)

[EXHIBIT\(tas66a04\)](#)

01:04:33 Ken Morrison, TransCanada

[EXHIBIT\(tas66a05\)](#)

[EXHIBIT\(tas66a06\)](#)

01:10:27 John Alke, TONBRIDGE Power, Inc., Montana-Alberta Tie Line (MATL)

[EXHIBIT\(tas66a07\)](#)

01:16:57 Bill Pascol, Great Northern Properties

01:19:43 Dave Galt, Montana Petroleum Association (MPA)

01:20:29 Jerome Anderson, Encore Acquisition Company

01:21:44 Willie Duffield, Executive Director, Montana
Association of Oil, Gas, and Coal Producing Counties

01:23:20 Dan Flynn, International Brotherhood of Electrical
Workers (IBEW)

Opponents' Testimony: None.

Informational Testimony:

01:24:31 Joel Silverman, Montana Department of Revenue (DOR)

01:25:01 Dean Roberts, Administrator, Motor Vehicle Division,
Montana Department of Justice (DOJ)

Questions from Committee Members and Responses:

01:25:21 Sen. Sam Kitzenberg to Mr. Barrett, Governor's Office

01:31:14 Sen. Jerry Black to Mr. Silverman, DOR, rereferred to
Gene Walborn, Montana Department of Revenue, (DOR)

01:33:22 Sen. Black to Mr. Alke, MATL

01:35:04 Sen. Kelly Gebhardt to Mr. Barrett, Governor's Office

01:36:50 Sen. Story to Mr. Barrett, Governor's Office

01:42:01 Sen. Gebhardt to Mr. Barrett, Governor's Office

01:46:01 Sen. Story to Mr. Morrison, TransCanada

01:47:01 Sen. Elliott to Mr. Morrison, TransCanada

01:47:45 Sen. Black to Mr. Morrison, TransCanada

01:48:37 Sen. Story to Mr. Flynn, IBEW

01:50:02 Sen. Black to Mr. Alke, MATL, rereferred John van't
Hof, CEO, TONBRIDGE Power Inc. (MATL)

01:55:26 Sen. Elliott to Mr. van't Hof, MATL

01:56:21 Sen. Jeff Essmann to Mr. Barrett, Governor's Office

01:58:56 Sen. Story to Mr. Barrett, Governor's Office

02:06:01 Sen. Christine Kaufmann to Mr. Barrett, Governor's Office
02:07:13 Sen. Kaufmann to Sen. Laslovich
02:10:08 Sen. Story to Mr. Barrett, Governor's Office
02:14:08 Sen. Elliott to Mr. van't Hof, MATL
02:22:12 Sen. Black to Mr. van't Hof, MATL
02:26:12 Sen. Elliott to Mr. van't Hof, MATL
02:28:09 Sen. Elliott to Mr. Morrison, Trans-Canada
02:28:32 Sen. Elliott to Mr. Alke, MATL
02:32:57 Sen. Kitzenberg to Mark Lambrecht, PPL Montana
02:38:08 Sen. Jim Peterson to Mr. van't Hof

Closing by Sponsor:

02:42:43 Sen. Laslovich
02:46:12 Break
02:56:37 Reconvene

HEARING ON SB 561

Opening Statement by Sponsor:

02:56:51 **SEN. CHRISTINE KAUFMANN (D), SD 41**, opened the hearing on **SB 561**, Revise oil and gas production tax holiday.

Proponents' Testimony:

03:04:24 Anne Hedges, Montana Environmental Information Center (MEIC)

EXHIBIT(tas66a08)

Opponents' Testimony:

03:07:33 Dave Galt, Executive Director, Montana Petroleum
Association (MPA)

[EXHIBIT\(tas66a09\)](#)

[EXHIBIT\(tas66a10\)](#)

[EXHIBIT\(tas66a11\)](#)

03:10:43 Tom Hauptman, Independent Oil Producer, Billings

[EXHIBIT\(tas66a12\)](#)

[EXHIBIT\(tas66a13\)](#)

[EXHIBIT\(tas66a14\)](#)

[EXHIBIT\(tas66a15\)](#)

03:19:13 Willie Duffield, Executive Director, Montana
Association of Oil, Gas, and Coal Producing Counties

03:21:16 Bob Gilbert, Rosebud County Commissioners

03:25:55 Jerome Anderson, Encore Acquisition Company

[EXHIBIT\(tas66a16\)](#)

03:32:11 Patrick Montalban, Northern Montana Oil and Gas
Association

[EXHIBIT\(tas66a17\)](#)

03:42:35 Ed Bartlett, Northern Alliance of Oil and Gas Producer

[EXHIBIT\(tas66a18\)](#)

03:44:02 Tom Ebzery, Nance Petroleum

03:46:41 Jon Metropoulos, Fidelity Exploration and Production
Company

03:50:36 Don Allen, Western Environmental Trade Association
(WETA)

Informational Testimony:

03:51:48 Lee Baerlocker, Montana Department of Revenue (DOR)

Questions from Committee Members and Responses:

03:52:08 Sen. Gebhardt to Sen. Kaufmann

03:53:21 Sen. Elliott

Closing by Sponsor:

03:53:51 Sen. Kaufmann

EXECUTIVE ACTION ON SB 563

03:57:08 **Motion:** SEN. ELLIOTT moved that SB 563 DO PASS.

Discussion:

03:57:23 Sen. Gebhardt to Sen. Elliott

03:58:02 Sen. Black to Sen. Elliott

03:58:47 **Substitute Motion/Vote:** SEN. GEBHARDT made a substitute motion that SB 563 BE TABLED. Substitute motion carried 7-1 by voice vote with SEN. ELLIOTT voting no. SEN. GILLAN, SEN. KITZENBERG, and SEN. SCHMIDT were excused.

EXECUTIVE ACTION ON SB 564

03:59:37 **Motion/Vote:** SEN. ELLIOTT moved that SB 564 BE TABLED. Motion carried unanimously by voice vote. SEN. GILLAN, SEN. KITZENBERG, and SEN. SCHMIDT were excused.

General Discussion:

04:01:01 Sen. Elliott

04:01:12 Sen. Story to Sen. Elliott

04:02:19 Sen. Essmann to Sen. Elliott

04:02:54 Sen. Black to Holly Franz, Montana Society of Certified Public Accounts (MSCPAs)

04:03:45 Sen. Story

ADJOURNMENT

Adjournment: 12:15 P.M.

SEN. JIM ELLIOTT, Chairman

LOIS O'CONNOR, Secretary

JE/lo

Additional Exhibits:

EXHIBIT ([tas66aad.pdf](#))